D. ion of Oil, Gas, & Mining 06/13/97 Mining Report MINE ID: S0190042 MINE NAME: BUNNELL PROCESSING FACILITY OPERATOR: R & S ENTERPRISES S. A. LANDRY CONTACT: ADDRESS: 12602 FM 1484 CONROE TX 77303 PHONE: (409)756-6160 BLM #: Surface Owner: FEE Mineral Owner: FEE Lease #: Qtr-Qtr-Qtrl Qtr-Qtrl Qtrl Qtr-Qtr-Qtr2 Qtr-Qtr2 Qtr2 Sec Town Range 22.0S 24.0E Mine Type [(S)urface, (U)nderground]: S Permit Status: NAP Mine Status: PRO Acreage: Retired Date : Reclaimed Date: Suspended Date: Minerals Mined PROCESSING TENTATIVE APPROVAL FINAL APPROVAL LAST INSPECTED DATE RECEIVED DATE DATE 05/06/97 BOND TYPE: BOND AMOUNT: ANNUAL REPORT YEAR: YTD Total NONCOMP NOTICES: DATE ISSUED: 0 0 DATE RESOLVED: DATE ISSUED: DATE RESOLVED: VIOLATIONS: 0 0 DATE APPROVED: **REVISIONS:** 0 0 DATE REC'D: AMENDMENTS: DATE REC'D: DATE APPROVED: COMMENTS:

PROCESSING FACILITY ASSOCIATED WITH BUNNEL 22 PROJECT (S/019/040), @20 MILES DISTANCE. FACILITY WILL INCLUDE ORE STOCKPILE, CRUSHER, 1-TON RESIN-N-PULP SYSTEM. CRUSHED ORE WILL BE LEADED IN THE VAT. ORE TAILINGS WILL BE PLACED IN POND W/20-MIL PLASTIC LINER. WATER WILL BE COLLECTED & REUSED. THIS PROCESSING SITE WAS DETERMINED TO HAVE TO BE PERMITTED SEPARATE FROM MINE SITE. SMO FORM SENT 4/29/97.